

(c) *Marine transactions.* A person transacting business in connection with entry or clearance of vessels or other regulation of vessels under the navigation laws is not required to be licensed as a broker.

(d) *Transportation in bond.* Any carrier bringing merchandise to the port of arrival or any bonded carrier transporting merchandise for another may make entry for such merchandise for transportation in bond without being licensed as a broker.

(e) *Informal entries.* A person entering merchandise qualifying for, and entered under, the informal entry procedures authorized by 19 U.S.C. 1498 is not required to be licensed as a broker, unless required to be so licensed under § 143.26 of this chapter, issued under the authority of 19 U.S.C. 1498.

[T.D. 70-134, 35 FR 9254, June 13, 1970, as amended by T.D. 78-99, 43 FR 13061, Mar. 29, 1978; T.D. 84-93, 49 FR 17754, Apr. 25, 1984; T.D. 94-51, 59 FR 30294, June 13, 1994]

#### **§ 111.4 Transacting customs business without a license.**

Any person who intentionally transacts customs business, other than as provided in § 111.3, without holding a valid broker's license, shall be liable for a monetary penalty for each such transaction as well as for each violation of the requirements of 19 U.S.C. 1641. The penalty shall be assessed in accordance with subpart E of this chapter.

[T.D. 86-161, 51 FR 30340, Aug. 26, 1986]

#### **§ 111.5 Representation before Government agencies.**

(a) *Agencies within the Treasury Department.* A broker who represents a client in the importation or exportation of merchandise may represent the client before the Treasury Department or any representative thereof on any matter concerning such merchandise except that he shall not represent the client before Customs officers in a Customs district in which he has not been granted a permit.

(b) *Agencies not within the Treasury Department.* In order to represent a client before any agency not within the Treasury Department, a broker shall comply with any regulations of such

agency governing the appearance of representatives before it.

[T.D. 70-134, 35 FR 9254, June 13, 1970. Redesignated and amended by T.D. 86-161, 51 FR 30340, Aug. 26, 1986]

### **Subpart B—Procedure To Obtain License or Permit**

#### **§ 111.11 Basic requirements.**

(a) *Individual.* An individual must:

(1) Be a citizen of the United States, but not an officer or employee of the United States;

(2) Be at least 21 years of age;

(3) Be of good moral character; and

(4) Establish through an examination that he has sufficient knowledge of Customs and related laws, regulations and procedures, bookkeeping, accounting, and all other appropriate matters to render valuable service to importers and exporters. Satisfactory knowledge is established in part by attaining a grade of at least 75 percent on the examination.

(b) *Partnership.* A partnership must:

(1) Have at least one member of the partnership who is a licensed broker, and

(2) Establish that it will have an office at the customs port where it has applied for a permit in which its customs transactions will be performed by the licensed member of the partnership, or an employee under the responsible supervision and control of the licensed member.

(c) *Association or corporation.* An association or corporation must:

(1) Be empowered under its articles of association or articles of incorporation to transact customs brokerage business;

(2) Have at least one officer who is a licensed broker; and

(3) Establish that it will maintain an office at the customs port where it has applied for a permit. Further, customs transactions in that office must be performed by a licensed officer or an employee under the responsible supervision and control of the licensed officer.

(d) *Responsible supervision and control.* The term "responsible supervision and control" means that degree of supervision and control necessary to ensure